

STAT

UPI  
26 March 1982

BYLINE: By DANIEL F. BELMORE

U.S. arms embargoes against South Africa and several other Third World countries may become "embargoes in name only," House Foreign Affairs subcommittee Chairman Howard Wolpe warns.

The Michigan Democrat said Thursday a study by the staff of the Foreign Affairs subcommittee on Africa showed South Africa has received illegal weapons shipments valued at about \$19 million.

The 46-page report, censored before its release, blamed laxity or connivance at the Defense and State departments and the CIA for not stopping the shipments of four 155 mm "Long Tom" cannons, 60,000 artillery shells and advanced arms technology.

It recommended stronger State Department controls over arms exports and investigations by the Senate and House intelligence committees into "the CIA's role in attempts to evade the arms embargo against South Africa during the Angolan Civil War."

The CIA declined it had any role in the operation, and a State Department spokesman declined to comment.

The study "is most disturbing because it indicates that our official arms embargoes against South Africa, Libya and other Third World countries risk becoming embargoes in name only," Wolpe said.

The subcommittee will open hearings on the case March 30.

The report singled out a Vermont firm for shipping equipment -- most of it acquired from Army plants and supply stocks -- to South Africa between 1976 and 1978 in violation of a 1963 U.S. arms embargo.

Space Research Corp. of North Troy, Vt., and its two top officials pleaded guilty in March 1980 to a single charge of exporting to South Africa "at least" 30,000 projectile forgings and components, two gun barrels and two radar vans and four counts of filing false information on U.S. Customs declarations.

Company President Gerald Bull and Vice President Rodgers Gregory were sentenced to one year each in prison. Bull served four months of the sentence and Gregory, 4 months. The firm was fined \$45,000, but it declared bankruptcy and never paid.

The report implicated a CIA agent identified only as "A.B." and said private and government firms in Belgium and Israel and "front" companies in Britain and Lichtenstein also were involved in the operation.

It described how the cannons and equipment were shuttled back and forth across the Canadian border and the shells and cannon were trans-shipped through Antigua, the Canary Islands and Spain.

The conspirators code-named the shells "Elana I" and the guns "Elana II"

in Sanitized Copy Approved for Release 2010/07/30 : CIA-RDP90-00806R000200970075-1 aneiro